

Address:
110 George Street
Edinburgh
EH2 4LH

Telephone:
0131 477 1234
Fax:
0131 477 4567

Website:
www.audit-scotland.gov.uk



Press release

Embargoed until 00.01 Thursday, 26 January 2006

Further education sector improving but more progress required

The Scottish Further and Higher Education Funding Council (Funding Council) is making progress on a number of fronts, according to a report published today by the Auditor General for Scotland, Robert Black.

“Financial health has generally improved at both sector and college levels following additional funding and there has been some success with its initiatives to improve college management and the condition of college buildings.” Said Mr Black.

“Concerns over performance management are being tackled and a more detailed picture of the sector’s achievements is emerging. These performance measures help college stakeholders to assess their progress in critical business areas.”

However, the report highlights areas where further improvement is required.

- Seven colleges still need to eliminate their accumulated deficits and two colleges retain the need for financial recovery plans;
- The strategic direction for further education needs to be agreed to resolve apparent tensions such as ensuring supply and demand matches ministerial priorities;
- Strategic leadership needs to be developed to ensure that the benefits of merger and collaboration are achieved;
- The Funding Council needs to continue to encourage colleges to achieve benefits from improved performance information.

Mr Black concluded: “Overall my report indicates that the Funding Council has built up steady momentum on areas previously highlighted for concern. There is still more to be done but I am satisfied that the body is moving in the right direction.”

The Auditor General has reported five times on the further education sector. This study was undertaken at the request of the Scottish Parliament’s Audit Committee with the remit to assess a range of initiatives undertaken by the then Scottish Further Education Funding Council (SFEFC) which included improvements to financial health; the adequacy and efficiency of provision of further education; and performance management.

SFEFC merged with the Scottish Higher Education Funding Council in October 2005 to form the Scottish Further and Higher Education Funding Council. The new Funding Council has a duty to provide the functions formerly provided by SFEFC.

Ends

Further Information from Leon Thompson tel: 0131 624 9974 or Simon Ebbett tel: 0131 624 9924.

1. Audit Scotland is a statutory body set up in April 2000, under the Public Finance and Accountability (Scotland) Act, 2000. It provides services to the Auditor General for Scotland and the Accounts Commission.

2. The Auditor General is responsible for securing the audit of the Scottish Executive and most other public bodies in Scotland, except local authorities. He investigates whether spending bodies achieve the best possible value for money and adhere to the highest standards of financial management. The Auditor General is independent and is not subject to the control of the Scottish Executive or the Scottish Parliament.

Audit Scotland provides services to the Auditor General for Scotland and the Accounts Commission

3. The full report can be found on Audit Scotland's website – www.audit-scotland.gov.uk